



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

M0370084
TAX 2748 0001

February 11, 2009

Glen Williams
Cotter Corporation
28151 DD Road
Po Box 700
Nucla, Colorado 81424

Subject: Tentative Approval of Amended Notice of Intention, Cotter Corporation, Papoose Mine, M0370084, San Juan County, Utah

Dear Mr. Williams:

The Division has completed a review of the amendment, received November 6, 2008, to the Papoose mine plan. The Division tentatively approves this amendment. Sitla has been notified of the bond increase. The Division will need to wait for their final approval before issuing our final approval

Prior to issuing final approval, we require that you provide us with:

1. Two copies of the complete and corrected plan that can be inserted into your existing plan. When final approval is issued, one copy will be stamped "approved" and returned to you for your records.
2. A modification to your Reclamation Contract (Form MR-RC) and additional reclamation surety in the amount of \$12,479.00 for the five-acre amendment. Please contact Penny Berry at (801) 538-5291 or pennyberry@utah.gov to obtain the appropriate bond and reclamation contract forms.
3. Additional permit fee in the amount of \$500.00. The amendment increases the disturbed area to over 50 acres, and the required permit fee for a mine of this size is \$1000.00. Since you have already paid \$500.00, there is a balance of \$500.00.
4. If available, the Division requests an electronic copy of a map of the disturbed area in AutoCad, shape, or other file format. Please include the projection and datum information with this file. Contact danielsmith@utah.gov, (801) 538-5292 for further information or questions.

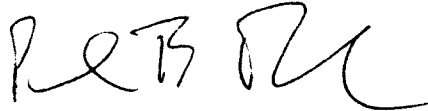


0001

Page 2
Glen Williams
M0370084
February 11, 2009

All future correspondence should reference M0370084. Thank you for your cooperation in completing this permitting process. If you have any questions regarding this letter, please contact me at (801) 538-5261 or Tom Munson at (801) 538-5321.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Baker' with a stylized flourish at the end.

Paul Baker
Minerals Mining Manager